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Florida Fluid Milk Report

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Upper Florida Marketing Area
Federal Order No. 6
Tampa Bay Marketing Area
Federal Order No. 12
Southeastern Florida Marketing Area
Federal Order No. 13

2826 E. Oakland Park Blvd.
Post Office Box 11368
Ft. Lauderdale, Fl 33339

PAUL W. HALNON
Market Administrator

September 1981

Market Summary

UPPER FLORIDA

Receipts of producer milk at pool plants regulated under Federal Order No. 6 during August 1981 totaled 38.3 million pounds.

During August, 34.5 million pounds, or 90.16 percent of producer milk was classified as Class I.

Comparisons with the previous month and year are not being made because there have been frequent plant shifts between Federal Order 6 and 12 which have distorted individual market statistics.

The uniform price to producers during the month was $15.22 per hundredweight -- down 4 cents from July and 91 cents above August 1980.

TAMPA BAY

Producers delivered 69.3 million pounds of milk to pool plants regulated under Federal Order No. 12 during August 1981.

Producer milk classified as Class I milk as used in the computation of the uniform price to producers totaled 62.9 million pounds.

Class I milk was 90.79 percent of the total producer milk.

Comparisons with the previous month and year are not being made because there have been frequent plant shifts between Federal Orders 6 and 12 which have distorted individual market statistics.

The uniform price per hundredweight for August milk was $15.27, a decrease of 10 cents from the previous month and 81 cents above August of last year. (Continued on page 6)

Program News

USDA DECISION ON CLASSIFICATION OF EGGNOG

A recommended decision issued by the Department of Agriculture on August 28 would change the classification of eggnog under the three Florida orders from Class I to the lower Class II price.

The decision is based on the record of a public hearing held July 14 at Orlando.

A regulated handler requested the change, claiming it would put Florida milk handlers under the three orders in a more competitive position with out-of-state handlers regulated under orders that classify eggnog as Class II.

The recommended decision was published in the September 2 Federal Register and is available from the market administrator.

NEW ORDER PROPOSED FOR ALABAMA

A September 9 recommended decision of the U. S. Department of Agriculture would establish a new federal milk marketing order covering all of Alabama and four adjacent counties in west Florida.

Herbert L. Forest, dairy official with USDA's Agricultural Marketing Service, said the recommended decision is based on the record of a hearing held in June and July 1980 at Montgomery, Alabama. The hearing was held at the request of Associated Milk Producers, Inc., of Montgomery, Alabama. The proposed order was supported also by two other dairy cooperatives, Dairymen, Inc., and Southern Milk Sales, Inc. (Continued on page 7)

Computation of the Uniform Prices for Producer Milk August 1981

	Order 6		Order 12		Order 13	
	% OF TOTAL	PRODUCT POUNDS	%OF TOTAL	PRODUCT POUNDS	% OF TOTAL	PRODUCT POUNDS
CLASS I MILK	90.16	34,535,110	90.79	62,914,130	93.11	51,249,913
CLASS II MILK	9.84	3,769,743	9.21	6,384,445	6.89	3,792,314
CLASS III MILK					-	-
TOTAL PRODUCER MILK	100.00	38,304,853	100.00	69,298,575	100.00	55,042,227
OTHER SOURCE MILK		145,175		-		-
TOTAL MILK		38,450,028		69,298,575		55,042,227
		Value		Value		Value
CLASS I MILK		$5,332,220.98		$ 9,776,855.80		$8,066,736.31
CLASS II MILK		475,741.57		805,716.96		478,590.03
CLASS III MILK						-
TOTAL		$5,807,962.55		$10,582,572.76		$8,545,326.34
ADJUSTMENTS:						
HANDLERS' LOCATION ADJ.		4,854.43		(1,831.37)		-
OVERAGE		12,911.27		1,427.08		12,776.77
BULK INVENTORY		-		2,691.12		-
PACKAGED INVENTORY		(353.24)		(891.20)		(667.01)
OTHER SOURCE RECEIPTS		22,415.02		-		-
TOTAL VALUE TO HANDLERS		$5,847,790.03		$10,583,968.39		$8,557,436.10
LOCATION ADJUSTMENTS		(6,252.08)		2,180.36		-
FROM PRODUCER SETTLEMENT FUND		26,214.34		29,920.60		28,279.91
TOTAL VALUE OF MILK		$5,867,752.29		$10,616,069.35		$8,585,716.01
RESERVE		(15,658.03)		(34,176.95)		(26,649.71)
VALUE AT UNIFORM PRICE		$5,852,094.26		$10,581,892.40		$8,559,066.30
UNIFORM PRICE		$ 15.22*		$ 15.27		$ 15.55
BUTTERFAT DIFF'L		$ 0.170		$ 0.170		$ 0.170
AVERAGE BUTTERFAT TEST		3.4239%		3.4342%		3.4425%

* 10 cents higher at plants located in or south of Flagler, Levy, Marion or Volusia Counties.

U.S. Milk Production and Prices

AUGUST MILK PRODUCTION 3% ABOVE LAST YEAR

Milk production during August totaled 11.1 billion pounds, (5.02 million metric tons), 3 percent more than August 1980.

Accumulated milk production for the first 8 months of 1981 totaled 89.9 billion pounds (40.8 million metric tons), compared with 87.0 billion pounds, (39.5 million metric tons) during the same period 1980.

Production per cow averaged 1,014 pounds, 19 pounds above a year earlier and 43 pounds more than August 1979.

Total milk cows averaged 10.9 million head, 1 percent above a year ago, and 2 percent above August 1979.

Reprinted from "MILK PRODUCTION", Crop Reporting Board, USDA, Sept. 14, 1981.

DAIRY PRODUCTS AUGUST 1981*

BUTTER

July butter production was 84.1 million pounds -- the same as July 1980.

AMERICAN CHEESE

Production during July totaled 218 million pounds, 11% below last month but 5% above a year earlier.

TOTAL CHEESE OUTPUT

Excluding cottage cheese, production was 347 million pounds, down 10% from the previous month, but 4% above the previous year.

OTHER PRODUCTS

Following are changes in July production compared to a year ago:

CREAMED COTTAGE CHEESE	-	down 7%
LOWFAT COTTAGE CHEESE	-	up 10%
ICE CREAM	-	unchanged
ICE MILK	-	unchanged
SHERBET	-	down 1%
DRY WHOLE MILK	-	down 2%
DRY BUTTERMILK	-	down 5%
NONFAT DRY MILK (human use)	-	down 2%

* Reprinted from "DAIRY PRODUCTS", Crop Reporting Board, USDA, Sept. 1, 1981.

PRICES RECEIVED INDEX DOWN 3 POINTS PRICES PAID INDEX UP 1 POINT

The August Index of Prices Received by Farmers decreased 3 points (2.1 percent) from July to 138 percent of its January-December 1977 average, according to the Crop Reporting Board. Contributing most to the decrease since July were lower prices for corn, cattle, soybeans, peanuts, dry edible beans and cotton. Higher prices for apples, oranges, lemons, milk, tobacco and calves were partially offsetting. The Index was 3 points (2.1 percent) below a year ago.

The Index of Prices Paid by Farmers for Commodities and Services, Interest, Taxes and Farm Wage Rates for August was 151 percent of its 1977 base, up 1 point (.7 percent) from July. Higher prices for replacement livestock and family living items more than offset the price declines for feed. Compared to a year earlier, the Index was 11 points (7.9 percent) higher.

The Ratio of the Index of Prices Received to the Index of Prices Paid, Including Interest, Taxes, and Farm Wage Rates was 91 for the month of August 1981. The Ratio was down 3 points from the previous month and down 10 points from the same period a year ago.

AUGUST MILK-FEED PRICE RATIO*	1981	1980
United States	$ 1.43	$ 1.42
Florida	$ 1.85	$ 1.74

* 16 percent dairy feed.

Reprinted from "AGRICULTURAL PRICES", issued August 31, 1981, by the Crop Reporting Board, U.S.D.A.

Producer Prices in Selected Federal Order Markets

(dollars per cwt. for 3.5 milk)

Market	Class I Prices (SEPT.)	Class I Prices (AUG.)	Uniform Prices 1/ (AUG.)
Tennessee Valley	$ 14.63	$ 14.69	$ 14.14
Louisville	14.23	14.29	13.57
Chicago Regional	13.79	13.85	12.99
Georgia	14.83	14.89	14.49
Memphis	14.47	14.53	14.18
Nashville	14.38	14.44	13.68
New Orleans-Mississippi	15.38	15.44	14.75
Tampa Bay	15.48	15.54	15.27
Southeastern Florida	15.68	15.74	15.55
Upper Florida	15.38	15.44	15.22

1/ Or weighted average of base and excess prices.

Utilization and Cl... at Po...

Southeastern Florida Order No. 13

	AUGUST 1981 (Pounds)	AUGUST 1981 (B.F. Lbs.)	AUGUST 1980 (Pounds)	AUGUST 1980 (B.F. Lbs.)	AUGUST (Pou...
Class I Milk					
Whole Milk	39,204,310	1,322,164	42,854,353	1,450,071	48,02...
Skim Milk and Lowfat Milk	14,462,112	188,311	15,922,260	200,214	19,71...
Flavored Milk and Milk Drinks	1,837,441	41,716	1,866,874	39,986	2,23...
Buttermilk	425,724	5,842	564,254	7,470	1,26...
Total Packaged Class I Disposition	55,929,587	1,558,033	61,207,741	1,697,741	71,23...
In the Area	(53,812,657)	(1,507,108)	(58,446,882)	(1,629,752)	(46,52...
Out of the Area	(2,116,930)	(50,925)	(2,760,859)	(67,989)	(24,71...
Transfers to Nonpool Plants	-	-	-	-	-
Total Class I Disposition	55,929,587	1,558,033	61,207,741	1,697,741	71,23...
Closing Inventory (Packaged)	3,295,966	87,531	3,478,733	93,556	5,20...
Unaccounted for Milk	198,353	8,642	173,906	19,067	41...
Total Class I Milk	59,423,906	1,654,206	64,860,380	1,810,364	76,85...
Percent Change from Last Year	-8.4		-2.5		+5...
Less Nonpool Receipts 1/	8,173,993	223,928	11,652,862	322,141	13,94...
PRODUCER MILK IN CLASS I	51,249,913	1,430,278	53,207,518	1,488,223	62,91...
Class II Milk					
Half & Half	907,248	96,159	893,027	95,229	53...
Light Cream	19,938	3,652	21,951	3,989	1...
Heavy Cream	60,678	21,750	55,447	19,777	13...
Frozen Desserts	1,808,557	128,096	2,048,123	141,221	3,25...
Other Class II Products	979,308	12,356	1,117,274	12,987	2,51...
Total Class II Products	3,775,729	262,013	4,135,822	273,203	6,45...
Transfers to Nonpool Plants	829,275	291,095	990,314	331,299	1,22...
Closing Inventory (Packaged)	130,462	16,857	108,838	14,645	13...
Closing Inventory (Bulk)	1,396,177	92,026	1,646,593	81,833	3,86...
Shrinkage	678,579	14,521	923,262	22,584	1,06...
Total Class II Milk	6,810,222	676,512	7,804,829	723,564	12,74...
Percent Change from Last Year	-12.7		+7.5		+4...
Less Nonpool Receipts 1/	3,017,908	211,959	4,261,132	253,291	6,35...
PRODUCER MILK IN CLASS II	3,792,314	464,553	3,543,697	470,273	6,38...
PRODUCER MILK IN CLASS III					
Producer Milk All Classes	55,042,227	1,894,831	56,751,215	1,958,496	69,29...
Average Butterfat Test		3.44%		3.45%	

1/ Includes, whenever applicable, receipts of other sou... e milk in any form, beginning inventory, and overage.

ld Cassification of Milk
Pol Plants

Tampa Bay
Order No. 12

(Pou	AUGUST 1981 (B.F. Lbs.)	AUGUST 1980 (Pounds)	(B.F. Lbs.)
48,02 30	1,565,650	30,872,041	1,018,352
19,71 93	200,435	12,569,440	142,262
2,23 78	25,689	1,311,911	16,913
1,26 79	14,364	805,242	8,965
71,23 80	1,806,138	45,558,634	1,186,492
(46,52 75)	(1,187,085)	(37,394,497)	(971,453)
(24,71 05)	(619,053)	(8,164,137)	(215,039)
-	-	-	-
71,23 80	1,806,138	45,558,634	1,186,492
5,20 04	126,730	2,413,594	58,359
41 14	32,583	266,328	20,211
76,85 98	1,965,451	48,238,556	1,265,062
+8		+15.9	
13,94 68	353,144	9,082,372	223,549
62,91 30	1,612,307	39,156,184	1,041,513
5 07	59,040	294,692	31,345
1 99	2,959	11,588	2,093
1 12	50,714	34,801	12,202
3,25 70	326,785	1,672,595	188,722
2,51 86	105,165	2,341,097	91,426
6,45 74	544,663	4,354,773	325,788
1,22 67	416,762	1,112,609	330,908
1 30	19,697	89,826	16,605
3,85 29	190,057	2,107,417	111,308
1,06 37	38,461	844,156	29,751
12,74 37	1,209,640	8,508,781	814,360
+8		-7.0	
6,35 92	442,091	5,407,388	379,531
6,38 45	767,549	3,101,393	434,829
69,29 75	2,379,856	42,257,577	1,476,342
	3.43%		3.49%

Upper Florida
Order No. 6

AUGUST 1981 (Pounds)	(B.F. Lbs.)	AUGUST 1980 (Pounds)	(B.F. Lbs.)
24,124,208	791,903	37,926,077	1,233,900
7,311,588	83,317	11,182,094	130,874
1,603,746	32,646	2,257,135	43,152
753,251	4,555	1,198,400	10,607
33,792,793	912,421	52,563,706	1,418,533
(30,201,447)	(809,941)	(40,952,800)	(1,100,298)
(3,591,346)	(102,480)	(11,610,906)	(318,235)
1,687,961	45,155	3,063,459	82,101
35,480,754	957,576	55,627,165	1,500,634
2,175,078	54,879	4,203,848	105,893
54,301	14,545	118,265	25,537
37,710,133	1,027,000	59,949,278	1,632,064
-37.1		-7.0	
3,175,023	84,679	6,582,336	174,407
34,535,110	942,321	53,366,942	1,457,657
327,143	35,023	526,413	56,046
15,117	2,595	10,886	1,960
38,502	13,195	63,132	22,857
4,683,463	336,529	5,183,005	352,351
581,892	3,699	998,588	10,455
5,646,117	391,041	6,782,024	443,669
434,264	106,140	1,665,049	262,173
63,985	10,892	121,685	18,923
2,216,793	95,191	3,571,422	161,125
412,598	13,446	804,939	31,839
8,773,757	616,710	12,945,119	917,729
-32.2		+23.2	
5,004,014	247,522	7,704,919	367,067
3,769,743	369,188	5,240,200	550,662
38,304,853	1,311,509	58,607,142	2,008,319
	3.42%		3.43%

Market Summary

From page 1

SOUTHEASTERN FLORIDA

Receipts of producer milk at pool plants regulated under Federal Order No. 13 totaled 55.0 million pounds of milk during August 1981. Compared to the previous month, receipts of producer milk were down 2.8 million pounds and 1.7 million pounds below August 1980.

In the August equalization pool, 51.2 million pounds of milk was classified as Class I. Class I producer milk was down 2.1 million pounds from last month, and was 2.0 million pounds less than August 1980.

Class I milk was 93.11 percent of the total during August compared to 92.24 percent the previous month and 93.76 percent during August of the previous year.

The uniform price to producers under Federal Order No. 13 for August milk was $15.55 per hundredweight. The uniform price was up 3 cents from July and was 87 cents above August 1980.

PRODUCER SUMMARY

Under the three Florida milk orders, 451 producers delivered 162.6 million pounds of milk to pool plants. This compared to 446 producers and 166.6 million pounds during the previous month and 437 producers and 157.6 million pounds during August 1980. Producer milk deliveries in August were down 2.4 percent from July and were 3.2 percent above August of last year.

The average milk delivery per producer was 11,623 pounds per day for all producers delivering to plants under Federal Orders 6, 12, and 13. The average daily delivery per producer was 8,216 pounds under Order No. 6; 9,279 pounds under Order No. 12; and 29,545 pounds under Order No. 13.

Combined receipts of bulk fluid milk products from producers and other sources for the three markets were 179.5 pounds in August 1981, and 176.2 pounds in August 1980.

Three Market Statistical Summary

August

MILK RECEIPTS	1981	1980
Producer Receipts	162,645,655	157,615,934
Other Source Milk	39,672,398	44,691,009
TOTAL	202,318,053	202,306,943
CLASSIFICATION OF MILK		
TOTAL MILK		
Class I	173,991,637	173,048,214
Class II	28,326,416	29,258,729
Class III*	-	-
PRODUCER MILK		
Class I	148,699,153	145,730,644
Class II	13,946,502	11,885,290
Class III*	-	-
PRODUCER MILK IN CLASS I - %	91.43%	92.46%
NUMBER OF PRODUCERS - Total	555	560
Regular**	451	437

Note: * Order 13, only.

** Adjusted to eliminate duplication in the case of producers delivering to more than one Federal Order Market.

Manufactured Dairy Product Prices (cents per pound)

Month	Butter (92-Score Chicago)	Nonfat Dry Milk (Spray Process, Chicago Area)	Cheddar Cheese (Wis. Assembling Points, 40 lb. Blocks)
1980			
Aug.	144.46	89.17	132.55
Sept.	145.07	89.26	132.55
Oct.	147.06	91.89	141.18
Nov.	147.60	93.33	140.50
Dec.	147.71	93.63	140.07
1981			
Jan.	147.25	93.73	139.32
Feb.	147.25	93.50	139.25
Mar.	147.25	93.44	138.75
Apr.	147.25	93.48	139.16
May	147.31	93.62	138.82
June	147.50	93.55	139.25
July	147.94	93.62	138.60
Aug.	148.03	93.51	139.26
1979 Avg.	122.43	79.55	138.75
1980 Avg.	139.34	88.64	132.68

Disposition of Packaged Class I Milk Products Inside the Marketing Area

	AUG. 1981	AUG. 1980	PERCENT CHANGE	
	Pounds	Pounds	Actual	Adjusted
ORDER 6	52,936,032	52,139,969	+1.5	+1.7
ORDER 12	46,984,928	45,626,859	+3.0	+3.2
ORDER 13	61,075,899	60,999,133	+0.1	-0.1
3 MARKET TOTAL	160,996,859	158,765,961	+1.4	+1.4

NOTE: **The data shown herein include products disposed of by producer-handlers, non-pool distributing plants and other order plants as well as pool plants.**

The quantities shown are actual pounds. The adjusted percentages eliminate variation in sales due to calendar composition.

Number of Plants and Handlers
August 1981

	ORDER 6	ORDER 12	ORDER 13
Total No. of Handlers	29	14	17
Distributing Plants	7	8	7
Supply Plants	1	1	0
Part. Reg. Dist. Plants	4	0	0
Other Order Plants	12	1	9
Producer-Handlers	1	0	0
Coop. Ass'ns as Handlers	4	4	1

Program News

From page 1

The major provisions of the proposed new order would:

-- Establish the marketing order area to include the State of Alabama and the Florida counties of Escambia, Santa Rosa, Okaloosa and Walton.

-- Establish pooling standards for distributing plants, supply plants and cooperative balancing plants.

-- Adopt the three-class system of utilization, which is provided in most other federal milk marketing orders.

-- Set minimum prices that regulated handlers must pay for milk used in each class.

-- Compute uniform prices that regulated handlers must pay to dairy farmers under market wide pooling.

-- Establish a base-excess plan to encourage level milk production by producers throughout the year.

-- Set up payment procedures to be followed by regulated handlers.

As in the case in all federal milk orders, the cost of administering the order would be covered by a monthly assessment on milk handlers, in this case not more than five cents per hundredweight of milk they purchase under the order.

Interested persons may now submit written exceptions to the decision. Such exceptions must be sent to the Department's Hearing Clerk by October 13. Following review of the exceptions the Department will issue its final decision for dairy farmers' approval.

The recommended decision was published in the September 11 Federal Register and is available from: Dairy Division, AMS, USDA, Washington, D. C. 20250.

DISTRICT COURT HEARS ARGUMENTS IN RECONSTITUTED MILK CASE

On September 10 the U.S. District Court in Washington, D. C. heard oral arguments in the suit in which the Community Nutrition Institute is seeking to have the Court order the Department of Agriculture to adopt its petition to eliminate classified pricing of reconstituted milk. Earlier this year the Department had denied a public hearing on the proposed reclassification of reconstituted milk and the CNI seeks to reverse that denial. It is expected that the Court decision will be issued some time this fall.

Minimum Order Prices (Per Cwt. for 3.5 Milk)

Month and Year	Basic Formula Price a/	Basic Formula Price b/	Upper Fla.* (Order No. 6) Class I	Upper Fla.* (Order No. 6) Uniform	Tampa Bay (Order No. 12) Class I	Tampa Bay (Order No. 12) Uniform	S.E. Fla. (Order No. 13) Class I	S.E. Fla. (Order No. 13) Uniform
1980 Aug.	$11.86	$11.68	$14.53	$14.31	$14.63	$14.46	$14.83	$14.68
Sept.	12.07	11.73	14.58	14.48	14.68	14.56	14.88	14.76
Oct.	12.42	11.86	14.71	14.57	14.81	14.63	15.01	14.85
Nov.	12.52	12.07	14.92	14.72	15.02	14.80	15.22	15.04
Dec.	12.61	12.42	15.27	15.10	15.37	15.28	15.57	15.45
1981 Jan.	12.64	12.52	15.37	15.20	15.47	15.27	15.67	15.50
Feb.	12.66	12.61	15.46	15.18	15.56	15.35	15.76	15.59
Mar.	12.67	12.64	15.49	15.10	15.59	15.30	15.79	15.52
Apr.	12.64	12.66	15.51	15.00	15.61	15.26	15.81	15.49
May	12.61	12.67	15.52	15.09	15.62	15.22	15.82	15.48
June	12.59	12.64	15.49	15.25	15.59	15.38	15.79	15.59
July	12.53	12.61	15.46	15.26	15.56	15.37	15.76	15.52
Aug.	12.47	12.59	15.44	15.22	15.54	15.27	15.74	15.55
1979 Avg.	10.91	10.77	13.62	13.46	13.72	13.49	13.92	13.75
1980 Avg.	11.88	11.67	14.52	14.29	14.62	14.40	14.82	14.65

a/ As reported for the month.
b/ Used in the computation of Class I prices for the month.
* 10 cents higher at plants located in or south of Flagler, Levy, Marion or Volusia Counties.

Number of Producers and Average Daily Delivery per Producer

Month and Year	Upper Florida No. of Producers 1/	Upper Florida Avg. Daily Delivery (pounds)	Tampa Bay No. of Producers 1/	Tampa Bay Avg. Daily Delivery (pounds)	Southeastern Fla. No. of Producers 1/	Southeastern Fla. Avg. Daily Delivery (pounds)
Aug. '80	247	8,198	124	9,550	66	27,738
Sept.	236	8,335	132	9,807	66	27,779
Oct.	236	8,861	140	10,423	69	27,937
Nov.	210	9,816	156	9,828	69	29,500
Dec.	207	9,644	159	11,499	69	32,112
Jan. '81	142	9,859	223	11,642	70	32,142
Feb.	137	10,337	229	12,441	66	34,979
Mar.	138	10,812	225	13,056	66	35,647
Apr.	138	10,688	227	12,713	65	35,714
May	144	9,655	229	12,059	65	34,005
June	207	8,970	168	10,531	63	30,698
July	152	8,332	233	9,593	61	30,564
Aug.	155	8,216	236	9,279	60	29,545

1/ Adjusted to exclude producers who delivered less milk to plants pooled under this Order than to plants pooled under another Federal Order.

UNIVERSITY OF FLORIDA
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